

## Message Text

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11

ACTION TRSE-00

INFO OCT-01 EA-11 ISO-00 NEA-14 IO-14 L-03 H-03 PA-04

PRS-01 USIA-15 SP-03 AID-20 EB-11 NSC-07 RSC-01

CIEP-02 SS-20 STR-08 OMB-01 CEA-02 CIAE-00 COME-00

FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06 SIL-01

DRC-01 /180 W

----- 117833

R 110326Z MAY 74

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 3387

INFO AMEMBASSY SAIGON

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USADB

TREASURY FOR FINKEL

E.O. 11652: N/A

TAGS: EAID, EFIN, VS

SUBJECT: 1974 ADB LENDING PROGRAM FOR SOUTH VIETNAM

1. WITH RESPECT TO MAY 28 SENATE APPROPRIATION SUB-COMMITTEE HEARINGS, THE FOLLOWING INFORMATION REGARDING THE BANK'S 1974 LENDING PROGRAM FOR SOUTH VIETNAM MAY BE USEFUL IN LIGHT OF SPECIFIC INTEREST THIS SUBJECT EXPRESSED BY BILL JORDAN DURING ANNUAL MEETINGS IN KUALA LUMPUR.

| A. LOANS                                  | ESTIMATED AMOUNT<br>(US\$ MILLION) |
|---|------------------------------------|
| 1. INDUSTRIAL DEVELOPMENT BANK OF VIETNAM | 5                                  |

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COMMENT: BANK CURRENTLY IN CONSULTATIONS WITH SOUTH

VIETNAM REGARDING MANY UNRESOLVED POINTS OF PROPOSED LOAN.  
BANK MOST CONCERNED REGARDING EXTREMELY SMALL CAPITALIZATION  
OF IDB, URGING SOUTH VIETNAM TO INCREASE EQUITY SHARE OF  
BANK PRIOR TO EXTENSION OF SUBSTANTIAL ADB LINE OF CREDIT.

ESTIMATED AMOUNT

H (US\$ MILLION)

2. FISHERIES DEVELOPMENT (SECOND LOAN 6-9

COMMENT: ADB ACTIVELY DISCUSSING PROJECT WITH SOUTH  
VIETNAM. MAJOR PROBLEM THAT OF DETERMINING PROPER EXECUTING  
AGENCY FOR PROJECT. ONCE THIS ISSUE RESOLVED PROJECT CAN  
PROCEED RAPIDLY.

3. TAN AN IRRIGATION 3-5

COMMENT: CONSULTANTS CONDUCTING FEASIBILITY STUDY CURRENTLY  
IN FIELD. STUDY TO BE COMPLETED BY AUGUST 1974. LOAN  
PROPOSAL SHOULD FOLLOW SHORTLY THEREAFTER.

4. RUBBER REHABILITATION 5

COMMENT: CONSULTANTS CONDUCTING FEASIBILITY STUDY CURRENTLY  
IN FIELD. STUDY TO BE COMPLETED BY EARLY FALL. LOAN  
PROPOSAL SHOULD FOLLOW SHORTLY THEREAFTER.

5. VOCATIONAL EDUCATION 2.5

COMMENT: ADB RECRUITING OUTSIDE CONSULTANT TO PREPARE  
PROJECT. ONCE RECRUITED AND IN THE FIELD, STUDY MAY BE  
COMPLETED BY EARLY FALL AND PROJECT FUNDED BY END OF THE  
YEAR.

B. TECHNICAL ASSISTANCE ESTIMATED AMOUNT  
(US\$ MILLION)

PROJECTS

|   |       |
|---|-------|
| 1. NHA TRANG-QUI NHON POWER TRANSMISSION      | 0.050 |
| 2. LIVESTOCK                                  | 0.130 |
| 3. DA NANG RICE MILLING COMPLEX               | 0.050 |
| 4. EXPANSION OF RURAL BANKS ADVISORY SERVICES | 0.020 |
| 5. VOCATIONAL EDUCATION                       | 0.030 |

2. ADB STRESSES DESIRE TO PROCEED AS RAPIDLY AS POSSIBLE  
SUCH THAT ALL PROSPECTIVE PROJECTS LISTED ABOVE WILL BE  
APPROVED BY BOARD BEFORE END OF YEAR. BANK IN CONSTANT  
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CONTACT WITH SOUTH VIETNAM REGARDING ALL ISSUES TO BE  
RESOLVED. HOPEFUL PARTICULARLY WITH RESPECT TO INDUSTRIAL  
DEVELOPMENT BANK AND FISHERIES DEVELOPMENT PROJECTS THAT  
DIFFICULTIES CITED CAN BE ELIMINATED IN NEXT FEW MONTHS.  
SULLIVAN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TECHNICAL ASSISTANCE, BANK LOANS, PROGRAMS (PROJECTS), US CONGRESSIONAL HEARINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 MAY 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GarlanWA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974MANILA05526  
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**Document Unique ID:** 00  
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**Film Number:** D740116-0060  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1974/newtext/t19740555/aaaabwrq.tel  
**Line Count:** 112  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION TRSE  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Comment:** n/a  
**Review Content Flags:**  
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30 JUN 2005

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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** 1974 ADB LENDING PROGRAM FOR SOUTH VIETNAM  
**TAGS:** EAID, EFIN, VS, ADB-1  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005